



GEORGIA DEPARTMENT  
OF COMMUNITY HEALTH

# 2012 State Health Benefit Plan WRAP Presentation



Presentation to: Workshop for Retirement Application Processing

Presented by: SHBP Communications

Date:



# Mission

## The Georgia Department of Community Health

We will provide access to affordable, quality health care to Georgians through effective planning, purchasing and oversight.

*We are dedicated to a healthy Georgia.*

# State Health Benefit Plan Overview

- When You Retire
- State Health Benefit Plan (SHBP) Options
- Changing Options
- Qualifying Events
- Surviving Spouses
- Medicare Information
- Contact Information

# When You Retire

- You may continue coverage at retirement if:
  - You are receiving a monthly benefit from a Georgia-sponsored retirement system; and
  - You and your dependents are enrolled at the time of your retirement
  - You must have continuous coverage from active to retiree status
- You do not need to complete a paper form if you are covered under ERS, TRS or PSERS (others will need to complete the Retiree/Surviving Spouse form)
- **NOTE: You cannot continue your health insurance if you take a lump sum distribution from a Georgia-sponsored retirement and will not receive a monthly retirement benefit**



# When You Retire (under age 65)

- Your coverage will roll over into your current option and tier
- Your options are the same as for active employees
  - Wellness HRA, HMO, HDHP or Standard HRA, HMO, HDHP Option under Cigna or UnitedHealthcare
  - TriCare Supplement (eligible military only)
- Premiums will be the same as for active employees

# When you Retire (over age 65)

- You have two additional options
  - Medicare Advantage PPO – Standard and Premium Plans
- If SHBP **HAS** received your Medicare B information
  - You will be enrolled in the Medicare Advantage Standard PPO Plan with your current vendor and tier
  - Your premiums should be lower
  - If you wish to enroll in another option, you will need to send that request in writing with your Medicare information

# When you Retire (over age 65)

- If SHBP Has **NOT** received your Medicare information or if you prefer not to enroll in one of the SHBP MA PPO options
  - You will remain in your current coverage and tier
  - Your premium will increase to the unsubsidized rate until SHBP receives proof of Medicare Part B enrollment

# Changing Options

- Once set-up as a retiree, you have the opportunity to change options:
  - Within 31 days from the date on your retirement letter
  - You or a covered dependent become eligible for Medicare (age 65 or disabled)
  - If the retirement benefit does not cover the premium
  - During the annual Retiree Option Change Period (ROCP), which is held each fall and corresponds with the annual Open Enrollment (OE) period for active members  
*(during ROCP you can only change options)*





# Qualifying Events

Making changes to your health insurance

- Marriage
- Spouse loses eligibility for coverage
- Acquisition or death of a dependent
- Divorce



*You have 31 days before or after a qualifying event to notify SHBP ( 90 days for newborn)*

# Impact on Deductibles and Out-of-Pocket Limits – if you change options

- You change options or vendors
  - Deductibles and out-of-pocket accumulations will not transfer
  - HRA credits will not transfer
- You change from HDHP or HMO to HRA
  - HRA credits will be prorated based on months remaining but the deductible and out-of-pocket won't
- You move from HRA to SHBP MA PPO
  - Unused HRA credits of \$100 or more will be set up in a separate account to use for co-payments and co-insurance costs under the MA PPO Option

# Changes without a Qualifying Event

- You may decrease your tier or change to “you only” coverage at any time
- You may discontinue SHBP at anytime (*but you will not be able to get the coverage back unless you return to work in a SHBP benefit eligible position*)
- If you and your spouse are retired, covered by SHBP and are both drawing a monthly retirement benefit from a Georgia-sponsored retirement system, you may change from you + family coverage to each having “you only” coverage at any time (the request for you and your spouse must be filed at the same time)

# Surviving Spouses-Continuing Coverage when Receiving an Annuity

If your surviving spouse or eligible child will receive an annuity:

- Apply within 90 days of retiree's death
- Current coverage can continue
- Premiums are deducted from annuity
- Surviving spouse or eligible child cannot add dependents

# Surviving Spouses-Continuing Coverage when not Receiving an Annuity

If your surviving spouse **will not** receive an annuity:

- Coverage can continue if married at least 1 year
- Apply within 90 days of retiree's death
- Premium paid directly to Plan
- Coverage ends for everyone on the contract if spouse remarries

**Note:** if your surviving child does not receive an annuity and there is no surviving spouse, the child may continue coverage for 36 months through COBRA provisions



# What Happens at Age 65? (Medicare)

Medicare is offered to individuals who are 65 or disabled under Social Security – whether you are working or not

If actively working - you do not need to enroll in Medicare until you retire (for you or a spouse 65 or older).

Exception – Enrollment in High Deductible Health Plan

- You will need to enroll in a Medicare Part D or Medicare Advantage Plan when you first become eligible OR
- You will pay a monthly penalty when you do enroll

# Medicare

When retired, you or your spouse will need to enroll in Medicare when you first become eligible

- You may apply for Medicare 2 months prior to retirement

## 4 Parts of Medicare

Part A – In-patient hospitalization, usually free

- ❖ (Enrollment in Part A is normally automatic and you should not decline this coverage)
- ❖ Your Medicare withholdings while working cover the cost of Medicare Part A so there is no monthly fee

# Medicare

Part B – provides coverage for physician and ancillary services

- ❖ You enroll in Part B by contacting Social Security online or by telephone
- ❖ There is a monthly premium you will pay for Part B - \$99.80 for most retirees (may be higher for some based on income – means based)
- ❖ If you are not drawing Social Security, you will be billed quarterly by Social Security for the Part B premium
- ❖ If you are drawing Social Security, the premium will be deducted from your monthly check
- ❖ You must continue to pay the Part B premium to remain eligible to receive the state contribution towards your insurance and to remain eligible to enroll in a SHBP Medicare Advantage PPO Plan



# Medicare

## Part D – Prescription Drug Coverage

- ❖ Cost is approximately \$35
- ❖ This coverage is not needed unless you do not enroll in a MA PPO Plan through SHBP

## Part C – Medicare Advantage PPO Plan – SHBP offers

- ❖ Includes benefits for Medicare Part A
- ❖ Includes benefits for Medicare Part B
- ❖ Includes benefits for Medicare Part D

# Medicare

- ❖ These plans are in addition to the Standard and Wellness HRA, HMO and HDHP options
- ❖ You must enroll in a MA PPO Plan to receive the state contribution towards the cost of your insurance and to pay a lower premium
- ❖ You will present your MA PPO Card when you receive services not your Medicare Card
- ❖ These plans include some benefits not covered by Medicare
- ❖ SHBP does not coordinate benefits with the MA PPO Plans

# Medicare

SHBP offers two Part C (Medicare Advantage PPO – Standard and Premium Plans)

- ❖ Includes benefits for Medicare Part A
- ❖ Includes benefits for Medicare Part B
- ❖ Includes benefits for Medicare Part D
- ❖ You must enroll in a MA PPO Plan to receive the state contribution towards the cost of your insurance and to pay a lower premium
- ❖ These plans are approved by Medicare and require that you have a street address to enroll

# Medicare Advantage PPO Plans

- You can elect to remain in a Standard or Wellness Option but you will pay the entire cost of the premium, which will significantly increase your premiums
- If you enroll in an individual MA PPO Plan or Medicare Part D Plan after enrollment in a SHBP MA PPO Plan, you will lose your MA PPO coverage under SHBP and you will be placed in the unsubsidized option you had prior to MA PPO coverage
- Providers must accept Medicare or services will not be covered
- Covered services, co-payments and/or coinsurance will be the same whether the provider is in-network or out-of-network

# What if Everyone in the Family is Not Age 65 or Over?

Family members age 65 or over will be enrolled in the MA PPO option and those under age 65 will remain in the current option with the same vendor as the retiree.

Example: The retiree is over age 65 and the spouse is under age 65. The retiree selects one of the MA PPO options and the spouse remains in the current option with the same vendor as the retiree. We call this a split option. The tobacco and spousal surcharges do not apply to split option plans.

# What if I Decide to Return to One of the Non MA PPO Options?

- Traditional Medicare Part A and B will become your primary insurance
- SHBP will be the secondary payor
- You may want to enroll in an individual Medicare Part D Prescription Drug Plan
- You will pay the entire cost of the SHBP coverage

# Medicare

- SHBP will send you information about your options, premiums and Medicare enrollment 4 months prior to you or your spouse turning 65
- You must submit copies of you Medicare Cards A and B to SHBP 60 days prior to you or your spouse turning age 65
- You will be charged the unsubsidized rate until SHBP has received and processed your Medicare information

# What if I Return to Work After I Retire?

- If you return to work in a **SHBP benefits eligible position**, the retirement system will cease taking your deductions from your annuity. Deductions must be made through your employer
- Once you leave active work status, you will need to complete a Retiree/Surviving Spouse Form in order for deductions to resume from your annuity.

**COVERAGE WILL NOT ROLLOVER**



# TriCare Supplement and Medicare

- At age 65 you are no longer eligible for the TriCare Supplement
  - If you or your spouse turn age 65, TriCare Supplement ends. Your SHBP coverage will default to the MA PPO Standard Plan available at the time TriCare coverage ends

# Important Reminders

- Medicare Advantage enrollment is optional for retirees under age 65 and must be approved by the Centers for Medicare & Medicaid Services (CMS)
- Pre 65 retirees may enroll in the Standard or Wellness HRA, HDHP or HMO options
- Surcharges apply to all options except the MA PPO Options, split options or the unsubsidized options
- Retirees over 65 may enroll in the Standard or Wellness HRA ,HDHP or HMO options but will pay the full cost of the premiums

# Important Reminders

- In order to enroll in one of the SHBP MA PPO Options you must have at least Medicare Part B coverage
- You must submit proof of your Medicare enrollment (A and B) to SHBP as soon as you receive your cards
- If you are retired at the time you or your spouse reach age 65, you can apply for Medicare up to 3 months prior to your 65<sup>th</sup> Birthday.
- SHBP does not refund premiums for failure to submit your Medicare information timely. You will pay the higher rate until SHBP receives your Medicare information

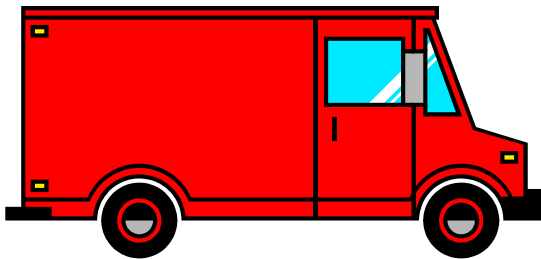
# If You Need Additional Information or Have Questions

If you have questions about eligibility,  
you may contact us at:

- 800-610-1863
- Secure Fax 866-828-4796



Notify SHBP if your address changes. The information must be in writing and include the member's Social Security number. The retirement system does not notify us if your address changes. Request should be mailed to:



SHBP  
P.O. Box 1990  
Atlanta, GA 30301-1990

